

## DRAWING IN THE LINES TO BAG CROWN PRINCE

THE VILLAGES OF VILLEMONTAIRE AND  
OULCHOY LES CHATTENOIS MAKING THE  
DISTANCE ABOUT NINETEEN MILES  
ACROSS THE SALIENT WHERE THE GER-  
MAN CROWN PRINCE AND HIS 400,000  
TROOPS ARE FIGHTING DESPERATELY TO  
SAVE THEMSELVES

THE FRENCH HAVE CAP-  
TURED THE TOWNS OF  
VILLERS MONTAIRE AND  
OULCHY LES CHATTE-  
NOIS AND HUNDREDS OF  
PRISONERS AND FOUR  
CANNON.

E. O. S., Paris, July 26.—The cap-  
ture of the towns of Villers Montaire  
and Oulchy les Chattenois, is an-  
nounced by the war office. The  
French took four cannon and many  
hundred prisoners in the fighting.

Germans Fighting Desperately  
E. O. S., London, July 26.—The  
Germans this morning launched a lo-  
cal attack against the British in the  
Metier section on the Flanders  
front, the war office announces. The  
attacks were repulsed after sharp  
fighting. Last night the Germans  
launched another attack on the new  
British positions in the Hebuterne  
sector between Albert and Arras but  
were driven off leaving guns and  
prisoners in the hands of the British.

Slowly Surrounding Them  
With the French army in France,  
morning, July 26.—The entire Ger-  
man position on the Marne salient  
may fall at any time as the result  
of some sharp movement by the allied  
armies. It is for this reason that  
the German commanders has ordered  
his men to hold at all costs while the  
defensive plan of action is being  
mapped out to save the army of the  
Crown Prince which is in exceeding  
great jeopardy.  
Day after day the French, then  
again the British, then again the  
Americans are encroaching on the  
triangular salient and although their  
progress is slow yet it is sure and the  
German command now see their pre-  
dicament and are trying to avoid  
their capture.

Premier Lenin Admits the Situation  
is Bad

Amsterdam, July 26.—Premier  
Lenin in a speech at Moscow to the  
governing committees of forty com-  
munities stated that the position of  
the Soviet Republic is extremely  
acute in the face of the International  
complications and food conspiracies  
in the country according to a des-  
patch via Moscow.

American Troops Doing Business  
London, July 26.—American  
troops have met and conquered the  
enemy in a terrific combat at Epiedes  
and Trigny says Deuter's despatch  
from the front.

CLOSING THE MOUTH OF THE  
POCKET

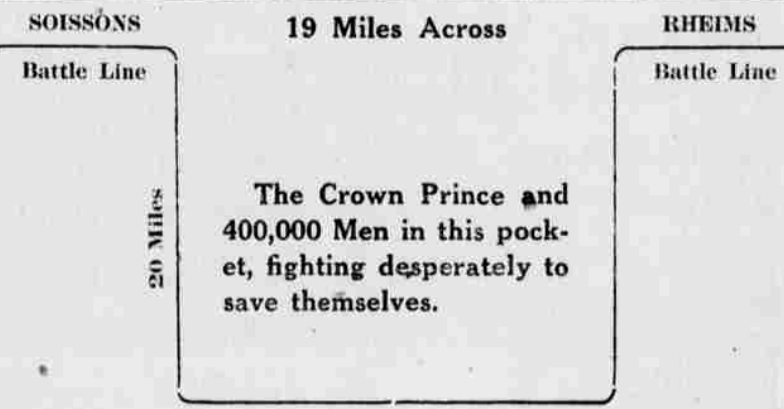
With the American Army on the  
Aisne-Marne front at 8 a. m., July  
26.—The Franco-American forces  
are pushing forward north of the  
Chateau Thierry road. This terri-  
tory is a wooded area. The Ger-  
mans here are fighting a rear guard  
action with machine guns only and  
are retiring before the allied forces.  
The Germans are fighting most ter-

STRIKE OF SEAMEN  
ON GREAT LAKES

Washington, July 2.—In the face  
of a threatened strike of seamen on  
the Great Lakes, which would tie  
up the transportation of iron ore,  
coal and wheat, essential to the war  
program, the Shipping Board last  
night issued a statement that the  
board "does not feel that there are  
any grievances to justify a strike at  
this time."

CLOUD TONIGHT, SATUR-  
DAY PROBABLY SHOWERS

Washington, D. C. July 26.—North  
Carolina partly cloudy tonight and  
Saturday, probably showers in west-  
ern portion, gentle to moderate north  
east winds on the coast.



GERMANS NOW SEE TRAP

General Foch has taken a leaf out  
of the book of German military strat-  
egy and ordered the use by the Al-  
lied armies of the pincer system of  
offensive in the Soissons-Rheims sal-  
ient.

Both jaws of the pincers are mov-  
ing smoothly with the pivot along  
the Marne working in unison, and  
the process of attempting to capture  
many of the nearly half a million  
Germans in the big pocket is well on  
the way of what at present seems  
like possible success.

The Germans, however, evidently  
do not intend to permit themselves  
to be entrapped without fighting.  
Having thrown thousands of rein-  
forcements in the already congested  
salient they have started a counter-  
attack of great violence all along the  
semi-circular front from the Ourcq  
river to the region immediately south  
west of Rheims and their men are  
said to have orders to stem the Al-  
lied tide of advance at all costs.

JAPAN DECIDES TO ACCEPT

London, July 26.—It is announced  
here officially that Japan has decided  
to accept the American proposal to  
help the Czech-Slovaks in their fight  
against the Central Powers.

## MARKETS

COTTON

New York, July 26.—Cotton fu-  
tures opened steady with October  
24.70, December 24.20, January  
24.10, March 24.11.

Maj. Theodore Roosevelt, Jr., has  
been wounded twice while leading  
his men in a charge on a machine  
gun nest southwest of Chateau Thier-  
ry, according to reports from Paris.  
He was shot twice through the left  
leg, near the knee. Following an  
operation he was taken to his home  
in Paris and is being nursed by his  
wife.

A girl that flirts is like a counter-  
feit coin—she never gets the true  
ring.

Have you paid your Income Tax?  
Cash now or Kaiserism later—  
which?

The privations which are imposed up-  
on you. Reflect upon the sufferings  
of those who are fighting for you,  
upon the martyrdom of the popula-  
tion whose hearths have been devas-  
tated by the enemy.

"10.—Remember that victory be-  
longs to those who can hold out a  
quarter of an hour the longest.

"That France may live, she must  
be victorious.

STOREHOUSE AND DISTRIBUT-  
ING POINT UNDER CROSS-FIRE

Paris, July 25.—Franco-American  
troops today made an advance of  
nearly two miles at certain points  
on the Aisne-Marne front, notably in  
the Dormans region, says the war  
office announcement tonight. Addi-  
tional gains are recorded, showing  
that the progress of the Allies in this  
salient is steadily going on.

London, July 25.—On the west  
side of the pocket the Franco-Amer-  
ican troops have straightened out  
their line at the expense of the Ger-  
mans during the past twenty-four  
hours, this involving a loss to the  
enemy of about forty square miles of  
territory between Armentieres and  
Vincelles. This line in the lower west-  
ern part of the pocket now runs  
straight southeast from Armentieres,  
and along this line the Germans have  
been compelled to give up all the lit-  
tle angles and corners which they  
have been holding on to as observa-  
tion posts or strong points.

The German military centre at  
Fere-en-Tardenois, which as the  
junction of several great roads, was  
the most important storehouse and  
distributing point of the Germans,  
is now under the crossfire from the  
French and American artillery and  
must be well nigh untenable. In  
fact, no place, in the whole pocket  
is a very comfortable position, with  
the Allied long range artillery sweep-  
ing back and forth, with balloons  
and airplanes directing the fire.

Possible evidence of a further  
withdrawal by the Germans is seen  
on the western flank of the pocket in  
the fact that the German artillery  
fire has grown much lighter all  
through this sector and the guns ap-  
pear to be firing from greater dis-  
tances behind the lines as if being  
pulled to places of safety.

## NEWS LETTER

Oak Ridge, N. C. July 26, 1918.

Prof. E. E. Whitaker, president of  
Oak Ridge Institute, has returned  
from Washington, where arrange-  
ments are made by which the Gov-  
ernment will furnish rifles and other  
equipment to Oak Ridge Institute  
for the coming term.

During a part of last year military  
training was given at Oak Ridge In-  
stitute, and the young men who took  
it and have since gone to camp found  
even the elementary training of val-  
ue. This year the most thorough  
training will be given. It will be in  
charge of Prof. Frank R. Carborough  
assisted by Mr. Allen McKnight, of  
Greensboro, who during the past  
three years has been at the Bingham  
Asheville, Military School. All of  
the students will be in uniform.

Prof. Whitaker tells us that to  
date more direct applications have  
been received for catalogues than at  
the same time last year. 190 students  
were enrolled last year, and the pros-  
pects are that the enrollment this  
year will be even larger.

Oak Ridge is an ideal place for mil-  
itary training. It is in the country  
and the school grounds are extensive.  
Considerable preparations are being  
made for the fall term. Fields of  
vegetables are growing and fruit is  
being canned, jellied and preserved.  
With the exception of meat and sugar  
almost the entire food supply used is  
grown on the school farms.

The faculty list for the fall term  
is now complete. All of the teachers  
employed are men.

Prof. D. L. Vance, for many years  
teacher of bookkeeping at Oak Ridge  
Institute but now a member of Dr.  
Long's hospital unit, Camp McPherson  
was on the Ridge for a day or  
two last week. He reports that one-  
tenth of the entire hospital unit are  
former Oak Ridge students.

By C. H. Oliver.

FRANCISCO VILLA IS

AGAIN ON WAR PATH

El Paso, Texas, July 26.—Fran-  
cisco Villa again is moving in the  
direction of the American border at  
Ojinaga with a herd of 500 mules  
and 250 bars of silver which he ex-  
pects to exchange for ammunition,  
according to confirmed reports from  
Chihuahua City, received here late  
yesterday. Sunday, Villa with 400  
men raided Jimenez, robbed two  
passenger trains and killed a num-  
ber of guards. Unusual activity is  
reported from Ojinaga and Federal  
reinforcements and munitions are  
being rushed there.

## THE GERMANS MAY LOSE

400,000 Men in the Pocket in  
Which They Are Caught.  
Paris Sees

END OF THE WAR NEAR

Paris, July 26.—This tenth day of  
the fifth German offensive, which has  
been transformed through the genius  
of Foch into an allied offensive, finds  
the allied armies in a stronger posi-  
tion and the Germans in a worse  
plight than at any other moment  
since the war began.

"If the Germans can be beaten to  
this extent before the Americans  
have more than barely entered the  
fight," is the sentiment of Paris this  
morning "what sort of licking shall  
we be able to give them before the  
end of October, when we shall have  
a million of Americans in line with  
us and at least another million here  
and waiting their turn to butt in."

The strength of that argument lies  
in the fact disclosed this morning  
that more than 70 per cent. of the  
allied troops engaged in the present  
battle are French. Yet this people,  
whose military genius and sheer hard-  
fighting grit have gained the splen-  
did victory, the development of which  
the world is witnessing today, was  
firmly believed by the German high  
command a week ago no longer to  
possess either commanders worth  
considering or troops to fight under  
them.

The position today is an eloquent  
tribute alike to the low brain power  
of the Prussian military class and the  
inferiority of the boasted Intelligence  
Service, which filled them with de-  
lusions. The present battle more  
than anything else that has occurred  
in the war is convincing the world  
that Germany deprived of overwhelm-  
ing superiority in brute force, is a  
mere idol with feet of clay as the  
French have always contended.

Prussian militarism when pitted  
against the keen intelligence of the  
French nation and on fairly level  
term in men and guns has always  
and will always prove that the Ger-  
man claim to be the first military na-  
tion in Europe, is nothing but gigan-  
tic bluff. After four long years of  
desperate resistance Foch has been  
able to call the German bluff. Hence-  
forth France will have no more fear  
of Prussian militarism, but instead  
a greater determination than ever to  
destroy it.

The second battle of the Marne has  
not only lifted deadly anxiety from  
the heart of France but has con-  
verted what was formerly a calm log-  
ical faith that sooner or later victory  
was assured into a positive conviction  
that the end is now in sight.

The enemy will be able to congrat-  
ulate himself indeed if he is able to  
extricate the whole of the 400,000  
men who are now struggling desper-  
ately between the jaws of the French  
pincers. Expert opinion here is of  
the belief that Ludendorff is now en-  
deavoring to establish at any rate a  
temporary line of defense on the half  
circle which runs from Soissons  
along the outskirts of Oulchy-le-  
Chateau and south of Fere-en-Arde-  
toward the wooded western slopes of  
the Montagne de Rheims.

Topographically this line offers  
certain defensive advantages. It is  
marked by a series of plateaux in  
the front of which are series of for-  
est-covered spurs and would certain-  
ly prove a serious obstacle to a con-  
tinued allied advance.

The principal question is whether  
disorganization of the retreating en-  
emy has not gone too far to permit  
a fresh stand being made so early in  
the zone of retreat. In any case it  
is regarded as probable that Luden-  
dorff will at least attempt a defense  
on this line in which case Fere-en-  
Tardenois will certainly become the  
centre of a new French offensive bat-  
tle.

The fact that the Germans are  
known to have begun to destroy their  
ammunition and supply depots at this  
important centre of communications,  
however, indicates that they recog-  
nize the hopelessness of being able  
to make more than a temporary  
stand there. Everything depends  
however, on the degree of disorgani-  
zation the Germans have undergone.  
Conditions in the steadily narrow-

## THE EXCESS PROFITS TAX

Will Hardly Raise Sufficient  
Revenue and Other  
Means of Taxation

MAY BE RESORTED TO

Washington, July 26.—The House  
Ways and Means Committee in ten-  
tatively agreeing today upon a grad-  
uated tax on war excess profits, esti-  
mated by the Treasury to yield \$1,-  
630,000,000 revenue, found that ei-  
ther all its plans so far tentatively  
agreed upon would have to be read-  
justed in order to procure \$6,000,-  
000,000 sought from excess profits  
and incomes, or to resort to some  
new tax proposition. As now plan-  
ned, the revenue from these two  
sources would fall \$1,660,000,000  
short.

The committee after an all-day ses-  
sion tentatively agreed to specific ex-  
emption of \$2,000 plus ten per cent  
on invested capital, instead of \$3,-  
000 plus 7 to 9 per cent exempted  
from excess profits tax under the  
present law. Various taxing plans  
also were discussed, with the commit-  
tee favoring 30 per cent on all net  
incomes in excess of the exemption of  
ten per cent and not in excess of 20  
per cent excess profits; 50 per cent on  
net income in excess of 25 per cent.  
Under the present law the war ex-  
cess profits law runs from 20 per  
cent, on net income in excess of the  
deduction and not in excess of 15  
per cent in excess of 33 per cent of  
such invested capital, together with  
eight per cent on net income in ex-  
cess of deduction for trade or busi-  
ness having no invested capital.

Discovery that the total revenues  
likely to be derived from income and  
excess profits taxes will amount to  
only \$4,340,000,000 instead of \$6,-  
000,000,000 contemplated by the  
Treasury as capable of being raised  
from these sources is considered will  
probably make it necessary to devise  
other means of taxation.

SERIOUS STRIKE OF  
MUNITIONS WORKERS

Leeds, England, July 26.—At a  
conference of members of the engi-  
neering and Allied traders yesterday  
with delegates present representing  
300,000 workers, it was decided to  
cease work next Tuesday if the em-  
bargo is not removed.

Coventry, England, July 26.—By  
noon yesterday 18,000 of Coventry's  
24,000 skilled workers were on  
strike. Altogether 80,000 workers  
engaged in the manufacture of mu-  
nitions are affected.

The joint committee of engineer-  
ing and allied unions, which urged  
that work be continued pending a  
conference, has been repudiated by  
the strikers.

HOLDING FIVE MEN  
FOR KILLING EASTER

Winston-Salem, July 25.—Joe  
Cain and four confederates, Carroll  
county men, are held in jail at Dob-  
so necharged with the killing of Riley  
Easter, Surry county mountaineer,  
who was called to his door and shot  
down Monday night. Cain and his  
partners, Walter Cain, Gardner Cain,  
John Hicks and Joe Bowles, are al-  
leged to have planned to kill Easter  
because the latter informed the au-  
thorities where a still belonging to  
the five men could be located. Joe  
Cain is charged with firing the shot  
and the others are held as accomplices.

ing salient between Soissons and  
Rheims are described as infernal.  
Railways are non-existent, and what  
few roads remain there are almost  
impassable.

Going northward are masses of ex-  
hausted and decimated troops being  
taken out of line, long convoys of  
wounded undergoing evacuation,  
heavy guns going to safety positions  
in the rear. Crossing these amid the  
utmost confusion are reserve divi-  
sions slowly coming in with all their  
supplies, ammunition and food to per-  
form vital work, to relieve exhausted  
troops and hold back the attacking  
Allies until the retreating armies can  
find safety in a new defensive.